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INFO RUEHLM/AMEMBASSY COLOMBO 6361

RUEHKA/AMEMBASSY DHAKA 6368

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C O N F I D E N T I A L SECTION 01 OF 03 NEW DELHI 005036

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E.O. 12958: DECL: 07/18/2016

TAGS: [PREL](#) [PTER](#) [KISL](#) [PK](#) [IN](#)

SUBJECT: INDIA SUSPENDS PAKISTAN PEACE PROCESS INDEFINITELY

REF: NEW DELHI 4005

Classified By: Charge Geoff Pyatt for reasons 1.4 (b)

¶1. (C) Summary: The MEA and the Pakistani High Commission laid out their positions in separate meetings with Poloff on July 17 and 18. The GOI is convinced that Pakistan is behind the Mumbai bombings, but is not yet prepared to abandon the India/Pakistan peace process or to make clear public accusations. Instead, it is determined to take the high road and enlist international support, placing the onus on Pakistan to demonstrate that it has abandoned its backing of Islamist terrorism. For now, New Delhi will neither punish nor reward Pakistan. The GOI has indefinitely suspended the Foreign Secretary talks between the two countries, and withholds the right to begin dismantling measures already in place, should Pakistan not demonstrate progress against terrorism within a specified time frame, or if there is another terrorist outrage. Denying any involvement in the Mumbai attacks, the Pakistan High Commission expressed its regret at the GOI decision and expressed willingness to continue with bilateral talks, with or without tangible progress. End Summary.

Indian Patience Thinning, But No Rush Into Reckless Action

¶2. (C) In a July 17 meeting with Poloff, MEA Director (Pakistan) Jeeva Sagar expressed the GOI's general feeling of exasperation regarding Pakistan. Sagar made no attempt to hide his conviction that Pakistan was behind the Mumbai bombings. He repeatedly cited evidence of GOP complicity in aiding, abetting or simply failing to act against known Pakistan-based terrorist organizations carrying out operations against Indian targets. Sagar asked rhetorically how Pakistan can claim to have no involvement with terrorism, when its leadership routinely appears in public with the

leadership of Lashkar-e-Toiba, which is acknowledged by the USG, the UN and Pakistan itself as a terrorist organization. While admitting that only in the next few days will India's official response become clear, Sagar hinted that the GOI does not intend to provoke a military confrontation with Pakistan, but plans to use diplomacy to pressure the GOP to stop its support of terrorist attacks against India.

¶ 13. (C) Sagar confirmed that the GOI suspended Indo-Pak Foreign Secretary talks scheduled for July 21. He added that the talks cannot resume until Pakistan has renounced support for Islamist terrorist groups. Sagar argued that, "We should have canceled the talks long ago. The talks began in January 2004, and by January 2005, it was clear that Pakistan was not serious about holding up their end of the deal."

Pak Diplomats Want the Process to Continue

¶ 14. (C) First Secretary (Political) Muhammed Jamali of the Pakistan High Commission, expressed a similar discontent with the progress of the peace talks in a July 18 conversation with Poloff, but blamed New Delhi for the stalemate. He complained that India is simply "going through the motions." Jamali argued that the GOI only makes empty gestures to show the rest of the world it is doing something productive to encourage peace with its neighbor. Jamali stated that that GOP position is that India sabotaged the talks by failing to make concessions on matters that Pakistan wanted to see real progress on, specifically, Kashmir and Siachen (Reftel.) Despite this, Jamali added that he hoped the talks would go

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forward, stating that "If they break off the talks, we are in the hands of the terrorists." He also stated that back-channels remain open between the two governments, and was confident that talks would continue at that level.

India Wants to Occupy the High Ground

¶ 15. (C) MEA Director Sagar demonstrated that New Delhi was well-aware of the possible repercussions should it abandon the peace process, saying "We didn't want to be perceived as the deal-breakers, and though we saw little or no progress on the interface between governments, we saw real progress being made at the level of the common people - that the wider policy of engagement between the Indian and Pakistani people was having benefits - that was why we kept going with the peace process." He stated that the GOI has no intentions of dismantling what has already been put in place, but is content to put the talks on hold for awhile, while investigations document the extent of Pakistani involvement in the Mumbai attack. Sagar was clear that as far as the GOI is concerned, the ball is now in Pakistan's court.

Time For A New Government In Islamabad

¶ 16. (C) Sagar expressed the Indian opinion that despite his earlier assertions that he wanted to cooperate with India against terrorism, Pakistani President Musharraf has all along engaged in a dangerous and Machiavellian game of double-dealing. He stated that Musharraf has been disingenuously pretending to be engaged in peace talks with India while simultaneously encouraging Pakistan-based groups to harry and terrorize Indian civilians on Indian soil. Sagar disdainfully called this Musharraf's "lukewarm commitment" to peace talks, and pointed out the duplicity of publicly engaging in peace talks while surreptitiously aiding terrorist groups to carry out terrorist activities against your interlocutor.

¶ 17. (C) Sagar noted that the GOI has now determined that Pakistan's military government is the problem, saying that as long as the military rules, there will be no progress against

terrorism. He pointed out that the military and ISI benefit from terrorism and have no genuine interest in curtailing it.

Kasuri's Comments "Show Pakistan's True Colors"

¶ 18. (C) Sagar also pointed to the July 11 comments of Pakistan Foreign Minister Kasuri regarding the Mumbai attacks as further evidence of Islamabad's duplicity, commenting that "These showed Pakistan's true colors, this was not an accidental phrasing, this was revealing of Pakistan's true feelings on this subject," (that increased terrorist pressure on India will push the dialogue in a direction more favorable to Pakistan.)

¶ 19. (C) When asked what the GOI expects or wants of Pakistan, Director Sagar was for the first time unsure. He replied, "Possibly, to hand over suspects, such as (Dawood) Ibrahim, or else we will cancel the peace talks." He argued that with Indian patience at an end, India cannot return to the table until Pakistan makes serious conciliatory moves. "At the CBM talks," said Sagar, "every time, we hand them the list of 20 known terrorists, such as Dawood Ibrahim, and yet still, these people are walking around in Pakistan,

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unmolested, free to plot and scheme new terror activities."

Analysis: Neither Side Rushing To Arms

¶ 110. (C) Sagar's remarks indicate that the GOI does not want to act too quickly, preferring to take its time and build a credible case against Pakistan that will enlist international support. He revealed that while India has strong suspicions of Pakistan, it wants to present hard evidence and make specific accusations that Islamabad will not be able to dismiss. This will take time, as the police must slog through the evidence and interrogate suspects. According to Sagar, the GOI fully expects Pakistan to deny involvement and attempt to wait out the storm. However, he was confident that if India does its homework and presents a strong, well-documented case against Pakistan, it will not be able to escape international censure and will have to re-examine its support for terrorism. Sagar also implied that India wants to work with Pakistan to devise mechanisms to document and verify the dismantling of Pakistan's terrorism infrastructure. He voiced no objections to NATO (read US) military observers, saying that NATO officers witnessed the deep penetration of terrorist groups into Pakistan during earthquake relief observations. Sagar would not get drawn into hypothetical discussions regarding an Indian response to another terrorist attack, saying only that it would result in the total breakdown of the peace process.

PYATT